

Minutes of Meeting  
Health Services Council  
Project Review Committee-II

DATE: 9 June 2011

TIME: 2:30 PM

LOCATION: Conference Room 401

ATTENDANCE:

Name	Present	Absent	Excused
<b>Committee-II</b>			
Victoria Almeida, Esq. (Chair)	X		
Raymond C. Coia, Esq.		X	
Joseph L. Dowling, MD	X		
Maria R. Gil (Secretary)			X
Catherine E. Graziano, RN, PhD	X		
Robert Hamel, RN	X		
Daniel Orgel, MPA	X		
Denise Panichas	X		
Reverend David Shire (Vice Chair)	X		

Staff: Valentina Adamova, MBA, Michael K. Dexter, MPA, Joseph G. Miller, Esq.

Public: (Attached)

1. Call to Order, Approval of Minutes, Conflict of Interest Forms and Extension for the Minutes Availability

The meeting was called to order at 2:33 PM. The Chair noted that conflict of interest forms are available to any member who may have a conflict. A motion was made, seconded and passed by a vote of five in favor and none opposed (5-0) that the availability of minutes for this meeting be extended beyond the time frame as provided for under the Open Meetings Act. Those members voting in favor were: Almeida, Dowling, Graziano, Orgel, Shire.

2. General Order of Business

The next item on the agenda was the application of **Amedisys, Inc.** for change in effective control of Beacon Hospice, Inc. including a Hospice Care Provider Agency with locations in East Providence and North Kingstown.

Staff noted that comment in opposition to the application were submitted by Rhode Island Partnership For Home Care and that they were passed out to the Committee. Staff noted that there is an escrow/divestiture agreement in place as the transaction already occurred.

Mr. Zubiago, legal counsel to the applicant, introduced the representative of the applicant. Ms. Brennan described Beacon Hospice and noted that it is CHAP accredited. Mr. Wagner described the applicant, Amedisys. Sen. Graziano questioned how the \$125 million purchase price would be divided among the owners. The applicant noted that about 75% of the ownership belongs to an equity funds and about 23% to Ms. Brennan. Sen. Graziano questioned the applicant with regards to how referrals are made. Ms. Brennan noted that the hospice provider is responsible for the end of life care of a patient.

The Committee questioned the generous profit margin projections and staff requested that the applicant allocate overhead cost to reflect the true profitability.

Rev. Shire requested that the applicant discuss the investigations that it is under. Mr. Zubiago provided a brief summary and noted that the applicant provided all the requested documents to the agencies investigating it. Rev. Shire requested that the applicant provide a summary of the nature of the investigation including the types of documents that have been requested. The Chair noted that Mr. Zubiago may want to clarify in laymen's terms the meaning of civil investigative demand.

Ms. Panichas requested pictures of the office space. Sen. Graziano noted that she recently read that there is \$24 billion in Medicare fraud.

There being no further business, the meeting was adjourned at 3:40 PM.

Respectfully submitted,

Valentina D. Adamova, MBA  
Acting Chief Program Development